

Article - Local Government

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§25–804.

(a) As an alternative to raising funds as provided in § 25–803 of this subtitle, the board of directors may issue and sell bonds or notes as provided in this section for an amount not exceeding the total cost of the watershed project.

(b) (1) The board of directors shall give notice of a proposal to issue bonds or notes by:

(i) publication at least once each week for at least 3 weeks in a newspaper of general circulation in the county in which any part of the area affected by the watershed association is located;

(ii) posting a notice for at least 15 days at the door of the courthouse in the county in which any part of the area affected by the watershed association is located; and

(iii) posting a notice for at least 15 days at four public places in the area or vicinity of the area affected by the watershed association.

(2) The notice shall provide:

(i) the proposal to issue bonds or notes to pay for the cost of the watershed project;

(ii) the amount of bonds or notes to be issued;

(iii) the interest rate for the bonds or notes or the method of determining the interest; and

(iv) the date when the bonds or notes are payable.

(c) (1) Within 15 days after the publication or posting of the notice in subsection (b) of this section, a landowner may pay to the county tax collector the full amount for which the landowner is liable, as provided in the report of the board of viewers.

(2) If a landowner pays the full amount as provided in paragraph (1) of this subsection, the landowner is relieved from further liability for the particular watershed project.

(3) Before issuing any bonds or notes under this section, the board of directors shall deduct from the estimated amount of bonds or notes to be issued the amount paid in advance by a landowner and shall issue bonds or notes only in the decreased amount.

(4) Any amount paid in advance to the county tax collector shall be held in a separate fund to be added to the proceeds of the bonds or notes issued and to be spent to implement the plan of watershed projects.

(d) The board of directors shall:

(1) certify to the county commissioners, county council, or Mayor and City Council of Baltimore City the amount of bonds or notes to be issued; and

(2) submit an assessment list of all properties for which payments have not been made, showing for each landowner the full amount due, less interest, with the total amount for all landowners equaling the certified amount.

(e) (1) After the assessment list has been submitted as provided in subsection (d) of this section, the board of directors shall issue bonds or notes in the certified amount.

(2) All bonds or notes issued under this section:

- (i) shall be sold under the serial maturity plan;
- (ii) shall have a maturity date of 12 years or less from the date of issue;
- (iii) may not be sold for a price less than par; and
- (iv) may be sold at a public or private sale.

(3) Subject to paragraph (2) of this subsection, the board of directors may provide for the form, date, interest rate, and other details incident to the offering, sale, execution, and delivery of the bonds.

(4) Bonds issued under this section are exempt from §§ 19–205 and 19–206 of this article.

(f) (1) The board of directors shall pay the proceeds from the sale of bonds under this section to the county tax collector.

(2) The county tax collector shall:

(i) retain the proceeds in a special fund;

(ii) disburse the proceeds as authorized by the board of directors to carry out the plan of watershed projects; and

(iii) use any surplus to redeem bonds.

(g) (1) The board of directors shall certify to the county commissioners, county council, or Mayor and City Council of Baltimore City and to the county tax collector the total amount due each year for the redemption of the bonds or notes issued under this section, including all payments of principal and interest.

(2) Each year, the county tax collector shall compute the amount due from each landowner, based on the amounts shown in the watershed assessment list, so that the total amounts individually due in any year equal the aggregate sum required in that year to pay the principal of and interest on the bonds or notes.

(3) The county tax collector shall include in the regular tax bill for each taxable year the amounts computed under paragraph (2) of this subsection.

(4) The special assessments are:

(i) due and collectible at the same time and in the same manner as county taxes; and

(ii) subject to the same interest and penalties for late payment or nonpayment as county taxes.

(h) If the watershed work plan approved by the county commissioners, county council, or Mayor and City Council of Baltimore City provides for adopting any existing watershed project, the board of directors may:

(1) pay the amount necessary to acquire the existing watershed project from the proceeds of any bonds or notes issued under this section; or

(2) reimburse a landowner from the proceeds of any bonds or notes issued under this section for any amount spent by the landowner in the construction of the existing watershed project.

(i) (1) The county tax collector shall report to the board of directors at regular intervals on the amount collected as special assessments during each interval, including a list showing the amount received from each landowner.

(2) The board of directors shall order the amount collected as special assessments to be paid by the county tax collector for the principal of and interest on the bonds or notes issued.

(j) (1) If an installment of principal of or interest on the bonds or notes issued under this subtitle is not paid at the time and in the manner it is due and payable and the default continues for a period of 6 months, the holder of the bond or note in default shall have a right of action against the board of directors.

(2) The circuit court of the county may issue a writ of mandamus against the board of directors that directs the imposition of a special assessment against landowners in default in an amount necessary to meet unpaid installments of principal and interest and the costs of the action.

(3) The board of directors shall certify the amount of the special assessment to the county tax collector who shall proceed immediately to collect the special assessment from the landowners in default according to the procedure provided in this subtitle.

(4) When the county tax collector collects the amounts certified under paragraph (3) of this subsection, the county tax collector, on order of the board of directors, shall pay the installments of principal and interest in default and the costs of the action.

(5) The official bonds of the county tax collector and any other officers shall be liable for the faithful performance of the duties assigned to the officers under this subtitle.

(6) The holder of any bond or note in default may bring suit against any officer on the official bond of the officer for failing to perform a duty required under this section.

(k) This title shall apply to watershed projects completed under this section as if completed with funds by assessments without issuing bonds or notes.

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